

ENTERED

January 10, 2023

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	CASE NO. 21-31087
	§	
MAGELLAN E & P HOLDINGS,	§	
INC.,	§	
	§	
Debtor.	§	CHAPTER 7

ORDER APPROVING SETTLEMENT AGREEMENT

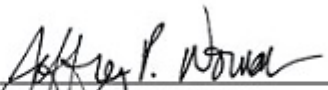
This matter comes before the Court upon the Trustee's Motion to Approve Settlement Agreement (the "Motion") (ECF No. 241), filed by Ronald J. Sommers, Chapter 7 Trustee ("Trustee"), requesting entry of an Order approving a proposed settlement between the estate of Debtor Magellan E & P Holdings, Inc. and Targa SouthTex Energy GP LLC f/k/a Southcross Energy GP LLC ("Targa"). Based on the agreements of these parties, and representations of counsel, the Court finds as follows:

1. This Court has jurisdiction pursuant to 28 U.S.C. §§157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409.
2. The Trustee has determined that pursuing the limited preference claims the Trustee has against Targa will require substantial litigation and Targa has colorable defenses to such litigation. The Trustee therefore believes the settlement is warranted.
3. Upon payment of the \$25,000.00 by Targa to the Trustee, the Trustee, on behalf of the bankruptcy estate of Magellan E&P Holdings, Inc., and Targa agree to release each respective Party as outlined in the Settlement Agreement. *See Exhibit A to the Motion.*
4. The settlement is reasonable under the circumstances and is in the best interest of Debtor's bankruptcy estates.

IT IS THEREFORE ORDERED that Debtor, Trustee, and Targa are authorized to enter into the Settlement Agreement as described in the Motion.

IT IS FURTHERED ORDERED that, if it has not already paid Ron Sommers, Trustee, Targa shall make the payment of \$25,000.00, payable to Ron Sommers, Trustee, within 15 days of the execution of this Order.

Signed: January 10, 2023



Jeffrey P. Norman
United States Bankruptcy Judge